

February 28, 2003

***CITIZENS' TASK FORCE ON CHARGERS ISSUES***  
**MINUTES for meeting of**  
**February 20, 2003**

**Meeting held at:**

**Council Chambers  
202 C Street, 12<sup>th</sup> floor  
San Diego, CA 92101**

**Mailing address is:**

**City of San Diego  
Special Projects Administration  
1010 Second Ave, Suite 500, MS 658  
San Diego, CA 92101**

**ATTENDANCE:**

**Members Present**

David Watson  
Nikki Clay  
Cassandra Clady  
Pepper Coffey  
Tim Considine  
Tom Fat  
Bruce Henderson  
Karen Heumann  
Bill Largent  
Joe Martinez  
Geoff Patnoe  
Patti Roscoe  
Ron Saathoff  
Len Simon

**Members Absent**

Tim Considine

**Staff Present**

Libby Coalson  
Les Girard  
Bruce Herring  
Dan Barrett

**CALL TO ORDER**

Item 1: Citizens' Task Force on Chargers Issues meeting called to order at 6:35.

Item 2: Roll Call – Libby Coalson

**AGENDA ITEMS**

Item 3: Approval of minutes - minutes from meeting of February 13, 2003 approved with one change for Karen Heumann. Unanimous

Item 4: Chair Comments – Vice-chair began chairing meeting with Chair arriving soon thereafter. No comments.

Item 5: Task Force comments - none.

## Item 6: Public Hearing –

Mike Aguirre – Received from Pasadena the response to a Public Records Act request regarding any contact the NFL has had with them. It is worthwhile to have an understanding of the situation there. If there Chargers were to be moving out of California, he cannot really address the situation – it is more complex. If moving to LA, will have more time. The Chargers will be in a position to trigger on March 1<sup>st</sup>. They have sent a letter to their fans indicating they plan to trigger. He urges the Task Force to come back to the economic guarantee and the trigger clause – the two clauses to look at. Contracts committee requested information that they did not receive. The Task Force should quit looking at development; the existing problems will not be resolved by development. We should not go into the question of negotiations as quickly as have so far.

Cyndi Jones – We were lied to. The stadium renovation was not \$78 million, ADA work was done so it is an \$83 million renovation. The remodel was not “state of the art”. NFL said they needed 70,000 seats, but now Task Force is considering 65,000 seats. Said that the General Fund would not be used, but money that should have gone into the Retirement Fund went to play a game. The NFL is a monopoly which gives the NFL and Chargers negotiating power. No matter what contract we have, Chargers will always have the power. San Diego should be a trendsetter. Let the Chargers leave if they want to, but make sure they pay for the expenses. Chargers will never trigger because they won’t want to open up their books. If Spanos can’t make money with a ticket guarantee and not sharing revenue with other teams, he should get out of the football business. How does Spanos make his money – perhaps stadium building? The fact that the building is 35 years old is not enough reason for building a new one. Maybe should look to the fans to pay for it. The Qualcomm site is a contribution of \$150m. Who cares if the Super Bowl comes to San Diego again.

John Cheney – keep in mind the years and years of the ticket guarantee. One of the options is to jump right in and start renegotiating with the Chargers. Imagine a meeting with the NFL owners where someone asks the Chargers if they had to prove they could trigger to begin to negotiate and they could say “no, didn’t have to prove anything” and “no, didn’t have to trigger”. This would be a good situation for the Chargers as all the goodies of the contract were consumed. Make the Chargers trigger and prove that they have the right to trigger. Newspaper article said that nobody else had to provide that type of information to get new stadiums, but maybe other cities and teams had different situations. Let the Chargers prove it.

John Shacklett – difficult and emotional task. Here to make sure that some of the things that are important are said. He coordinates athletics for San Diego City schools. Chargers have helped out the students of city and county schools – providing equipment. About 15 years ago, began with an all star game – longest running in state. Chargers contribute a lot of money. They contributed \$260k to 9<sup>th</sup> grade football. Donate \$500k annually in grants for students and teachers. Equipment worth \$300k distributed around schools. Super Bowl allowed for more money to come into town. This has an impact on young people. Need to take into consideration the impact when trying to value a football team in San Diego.

Ron Boshon – thanks Henderson and Aguirre for being watchdogs. He is motivated by principles and morals. The Task Force members and the ones before have no morals – they are hired guns to contribute to theft of the public coffers. Picked to steal and rob us. Can tell a lot about people by the people they keep company with – with Spanos. The fact that people are here tells a lot about them. Don’t care about laws – here to steal.

Phil Hart – resident of San Diego. The Task Force’s basic task has been to try to come up with a fiscally responsible way the City might help the Chargers. Chargers have suggested a contribution of \$200 million. Reality of City finances – if believe City should subsidize private business, then name in the report the businesses that are being helped other than the Padres. If should be doing that, identify how much. Then, ask whether the City has enough money in surplus now and whether in the next few years the City will have it.

Are the City's financial books clean? No. Over \$100 million behind in maintenance. Pension problems with estimates ranging from \$300-700k. DelaFuente obligation. The City is in horrible financial condition. How can the Task Force possibly suggest anything requiring fiscal obligation to the Chargers?

Elizabeth Bacon – Believes that it is unconscionable for the Task Force or City to spend money on a game with no redeeming qualities that is enjoyed by 5% of upper middle class white males. Task Force and City Council need to consider needs of all citizens of the city. We have people sleeping on the streets, yet consider spending public money on a stadium for a game.

Rob Luton – congratulations to Watson – posed a question to Task Force about whether should use public money. Should all have to go on the record about whether want to use public funds, no matter how that would be done. Each member should state whether would use public money on the record individually. Stadium with park – the park will become the issue, and a small percentage of money will go to the park and rest to the stadium. When the issue goes to the voters, the park or river will be the focus. Park should be separate. Should explore what other cities have done and ways that a stadium could be privately funded. He senses a weakening in this group. Chargers are committed to 2020. Where is the protection to the City? If can't all agree, at least submit their thoughts individually so Council can see what all Task Force members feel. Stand up as individuals first, as a Task Force second. If we lose Super Bowl, so be it. Chargers want us to negotiate in good faith, but they have moved their training camp to south LA which should show their intentions.

Bob Kevane (w/Ramona Walker) – director of San Diego Blood Bank. Annually Chargers do a blood drive. Chargers have been with the blood bank for 24 years. Started with need for former kicker Rolf Benirschke and the support was so overwhelming, they continued. Significant amount of Chargers come every year. Big players came and interacted with the community. Their involvement has a very positive influence on the kids and people who need the blood. During the 24 years, the Chargers have assisted 126,000 patients.

Dylan Aste – football has been part of his life since he was a kid, then he was paralyzed during a game. The Chargers supported him. They donated funds for a van to allow him to travel. Spanos invited him and his family to a game and introduced him to players. Seau took him as a guest to the pro bowl in Hawaii. Thanks to the Chargers, he is doing better in his life than otherwise would be and they have helped others too.

Billy Paul – Real problem he sees with the stadium is not the seats or the level of the field. It is the revenue sharing plan. 60% to home, 40% to visiting team, 100% of boxes to the home team so when the Chargers play away they don't get any of this revenue. Real problem is the contrived way the revenue is shared. The teams could have a better situation if they shared all revenue 60/40. Going to go to 5,000 spaces from 18,000, which will be totally inadequate. City could get a chunk of seats to make box seats owned by the City and charge a seat handling fee as a way to get around the sharing and have more revenue to meet the Chargers needs. Ticket guarantee is a sweet deal, better than building residences on the toxic plume. Need to find a way to get around the loophole. Wants Task Force to look outside the box and into the box seats.

Lynn Mulholland – Since 1996, taxpayers have spent more than \$31 million on ticket guarantee. Now Chargers want a new stadium. 73% of citizens don't want to spend a penny. Floodplain extends around the site. Stadium sits on saturated soil. Floodway zone is in the flood plain. There is no appreciation for the habitat. Gasoline seepage floats on top and MTBE permeates the soil. There are no frogs. The cost of removing the gas is in the millions. A natural habitat will help remove the gas naturally. Violation of code. Mission Valley Community Plan calls for a community park in the vicinity of the stadium, but not one park added with all the other development. There is a standard for the amount of recreation acreage per 1,000 residents and this is not being met.

## Item 7: Discussion of Final Report

Watson – wants to try to come up with some preliminary aspects of the report, thought should focus more on the work of the two committees. Each committee can present their principles and make a motion and get a second, then tinker with them to get to a motion. Starting with the Facilities & Redevelopment Committee.

### FACILITIES:

Clay – motion to approve the guiding principles with a second from Martinez. Thanks to Facilities and Redevelopment committee. Let's review each principle individually.

Final Facilities Principles, as re-worked:

1. That the Qualcomm Stadium site is centrally located to downtown, Mission Bay, Old Town, and San Diego State University, and collectively, these areas must be considered part of the urban core of San Diego.
2. That the San Diego River is an asset to the entire region and its full potential and restoration must be realized.
3. That the transportation access to the site is a tremendous asset to the urban core and of great benefit to the Qualcomm site. The site interfaces with four freeways, including I-15, I-805, I-8, and highway 163. The east-west line of the trolley is another asset and its use (rider-ship) needs to be more fully utilized
4. That infrastructure for the communities surrounding the Qualcomm site is inadequate to serve the current needs of the communities and a strategy must be developed to address these needs and other impacts in order to support further development at the site.
5. That the Qualcomm Stadium site is a valuable regional public asset and is ideally suited to the concepts of the City of Villages and Sustainable Design. And, furthermore, the site can meet many of the outstanding needs of the adjacent community and/or region, particularly those of park space, housing, and recreation.
6. That any new improvements should be considered regional public assets that serve broad cross-sections of the San Diego community with diverse uses, including current users, which are properly encouraged and promoted.

Henderson – the communities that made it clear they have parking overflow issues now, so need to reflect these parking, traffic issues in the report. *Clay – will include in the body of the report.*

**Approval** of all principles as revised during meeting passed unanimously.

Martinez – has some changes on options that need to be finalized.

### FINANCE:

Patnoe – has principles for Finance and will go through them like Ms. Clay did.

Simon – seems like we agreed to put some of the first items (from Finance principles) in the hands of the negotiators – too many rules to follow. City should be able to make a deal that makes sense, not necessarily requiring the Chargers to pick up expenses for everything.

Watson – thought consistent with phrase of ‘no general fund impact’. Doesn’t mean they couldn’t potentially use other new development funding.

Simon – thinks handcuffing City with some of these principles

Watson – disagrees

After much discussion, the Finance principles were finalized as:

1. No cost to the City’s General Fund.

*Approved unanimously*

2. If a proposal encompassing a new stadium includes development on the Qualcomm site, incremental taxes generated by that development, whether designated a redevelopment zone, an IFD, or otherwise, which incremental taxes would not otherwise be available to the City, may be employed by the City to pay for infrastructure at the site, a public park on the site or any debt that may remain from the prior renovation of Qualcomm Stadium.

*Patnoe – motion to approve #2 item from umbrella document which said “If a proposal encompassing a new stadium includes development on the Qualcomm site, incremental taxes generated by that development, whether designated a redevelopment zone, an IFD, or otherwise, which incremental taxes would not otherwise be available to the City, may be employed by the City to pay for infrastructure at the site, a public park or any debt that may remain from the prior renovation of Qualcomm Stadium”*

*Henderson – suggests no City contribution for any public funds, but if Council wants to use should be new funds from the development supported by a 2/3 vote. Made a substitute motion, no second.*

*Fat – motion to add, to Mr. Patnoe’s original motion, language saying that any excess revenues from the development may be used for construction of the facility. Second by Simon.*

*Watson – going on record opposing, doesn’t want any public money used for construction, Chargers can afford to do it themselves, they haven’t made a case of need for a new stadium, and the City needs the money for other items.*

*Clay – voting against because when looked at cash flow analysis, there isn’t going to be any money left over.*

*Amendment fails 3 yes, 10 no*

*Back to original motion.*

*Henderson – opposed to incremental taxes generated by development paying off debt because the initial concept was that debt was to be paid by the rent, public shouldn’t have had any costs. In 95*

*and 97, Chargers grossly misrepresented the situation and induced us to incur this debt. As a matter of principle, it is wrong for the taxpayers to cover any of this expense –*

*12 yes, 1 no – approved*

3. If the City chooses to develop the Qualcomm site with a new stadium, it should avoid any sale of the 166-acre site.
4. Any new agreement should address the existing debt, including outstanding bonds, the Qualcomm naming rights payout amount, the out clause on the concessionaire agreement, costs of infrastructure, and environmental impacts within the negotiated agreement.

*Clay – will be including the memo from George Loveland regarding the Mission Valley Terminals in the report.*

*Motion to approve, with friendly amendment by Mr. Simon to add the payout for naming rights.  
Approved unanimously*

5. In the event of a lease to the Chargers for the Qualcomm site, a reversion clause is recommended to ensure that the property reverts to the City upon the termination, conclusion or breach of the agreement with the Chargers.

*Approved unanimously*

6. Any agreement must provide for the use of a new football facility by the Aztecs, the Holiday Bowl, Gold Coast Classic & CIF Football on terms consistent with current agreements for the use of Qualcomm Stadium.

*Approved – 12 yes, 1 no*

The overall recommendation was finalized as:

The Citizens' Task Force on Chargers Issues recommends that the San Diego City Council accept the task force report and direct the City Manager and City Attorney to immediately begin discussions with the San Diego Chargers regarding modifications to the existing contract and the possible renovation or construction of a new stadium subject to these principles:

1. No cost to the City's General Fund.
2. If a proposal encompassing a new stadium includes development on the Qualcomm site, incremental taxes generated by that development, whether designated a redevelopment zone, an IFD, or otherwise, which incremental taxes would not otherwise be available to the City, may be employed by the City to pay for infrastructure at the site, a public park on the site or any debt that may remain from the prior renovation of Qualcomm Stadium.
3. Work to get the Chargers to agree to eliminate the trigger clause and the ticket guarantee at the outset of negotiations. Any new contract or lease between the City and the Chargers should not include a trigger clause or a ticket guarantee.

*Approved unanimously*

4. Any new agreement should address the existing debt, including outstanding bonds, the Qualcomm naming rights payout amount, the out clause on the concessionaire agreement, costs of infrastructure, and environmental impacts within the negotiated agreement.
5. Any new agreement should require the Chargers to be responsible for all hard and soft development costs, construction cost overruns, construction delays, management and maintenance of the facility, and revenue shortfalls.

*Approved unanimously*

6. Any new lease should be ironclad and require a long-term commitment from the Chargers to remain in San Diego for at least the term of any new stadium related debt and include a provision that protects the City should the team be sold in the future.
7. Obtain an NFL commitment for multiple future Super Bowls as part of any new stadium deal.

*Approved unanimously*

8. A public park as set forth in the Mission Valley Community plan and a riverfront park, a minimum of 18 acres in size, should be components of any major renovation or new stadium proposal at the 166-acres Qualcomm site.

*Approved unanimously*

9. Any agreement must provide for the use of a new football facility by the Aztecs, the Holiday Bowl, Gold Coast Classic & CIF Football on terms consistent with current agreements for the use of Qualcomm Stadium.
10. If the City chooses to develop the Qualcomm site with a new stadium, it should avoid any sale of the 166-acre site.

*Approved unanimously*

11. The final recommendation by the San Diego City Council regarding any new stadium plan should be approved by the voters.

*Approved unanimously*

12. The Chargers should be encouraged to explore and obtain private contributions for any new stadium project.

*This was a new addition during the meeting, recommended by Ms. Clady, seconded by Ms. Clay.  
Passed unanimously*

13. If the Qualcomm Stadium site is leased to the Chargers, the rent should be based on the value of the public assets and public amenities (including a new stadium and public park or parks) provided by the Chargers.

*Henderson – fair market value would reflect the contributions to the community. The City ought to seek fair market value rent, understood that value would reflect the cost of public amenities required by the City of the Chargers. To the extent the Chargers are playing in the stadium, fair market value would reflect what they make by playing in the stadium. Lease rate reflects the financing. We have a report from BSG saying if Chargers can raise ticket prices high enough, after paying all costs, they can make a profit.*

*Passed 13 yes, 1 no with Mr. Henderson opposed*

Should discussions between the City and Chargers not be successful or at such time as the City Council and/or City Attorney deem appropriate, the City should pursue its rights and remedies under the existing contract.

Simon – contracts amendment

New Material for Contracts Committee Report, Page 19, Insert Before Heading VII

Finally, the ticket guarantee payments have the potential to become truly oppressive in a "lame duck" season. Although the workings of Section 31(b) are not totally clear, it is possible that the Chargers will play a season or more in Qualcomm Stadium after they have announced a move to another city, or while they are attempting to move or in litigation concerning such a move. Attendance may drop precipitously, as it did in Houston, where attendance fell by 50% after the announced move to Tennessee. In those circumstances, payments under the ticket guarantee could skyrocket. Of course, the Chargers "best efforts" obligations might be interpreted to require a price reduction in a lame duck season, increasing attendance and reducing the exposure.

We say the payments "could" skyrocket because the ticket guarantee can be satisfied through cash payment or a "rent credit." Such a credit would appear to top out at the total of the rent. That is, in a year in which the Chargers are to pay \$6 million in rent, their maximum rent credit would be \$6 million, meaning the situation cannot get much worse than it currently is. However, a different interpretation would permit the "credit" to wipe out the rent and create a balance in favor of the Chargers. This latter interpretation creates the doomsday scenario under which a "crowd" of 30,000 (as in Houston) might include 25,000 general admission sales, leaving a shortfall of 35,000 under the ticket guarantee, at an average price of \$50, for a city payment of \$1.75 million for just one game. Multiplied by eight regular season and two pre-season games, the numbers could be staggering.

*Motion made to add this language into the Contracts committee section. Approved unanimously*

*Mr. Simon recused himself from discussion of Item 14, regarding whether the team of expert consultants should include any member of the Task Force.*

Clay – recommends omit # 14 and moves to refer the issue to the Ethics Commission to see if there is a conflict. Heumann seconds.

Henderson – would make a substitute motion that City's assembled team of experts should not include any member of the Task Force or their firms or associates unless approved by the City's Ethics Commission. No second, motion fails.

Coffey – First, I do not recall *any* vote authorizing any member of the Task Force to announce any such consensus points. Second, this consensus point was *never* voted on and was never approved by the Task Force. Third, the premise that a member of the Task Force is barred from working on anything related to the



subject of the Task Force after their service to the City was never a condition of service and no attempt should be made to impose such a condition after the fact. This attempt is fundamentally unfair and probably not consistent with the constitutional right of each citizen to pursue work.

I *strongly* disagree with the manner in which this topic has been released to the press and how it has been reported. First, the reporters were present in the room and they know that no vote was taken or authorized by the Task Force barring any future work by any member of the Task Force. Second, it is unfair to give the impression to the public that people who provide good and faithful service to the City necessarily will act in a manner contrary to the best interests of the community thereafter. Third, we want people who are involved to stay involved.

As amply reflected in the biographies of Jefferson, Franklin, and Adams, the founders of this country, those who signed the Constitution, had varied interests in the outcome and worked in, out and around the United States government, many throughout the rest of their lives. By one analysis, as reported in Union Tribune, in order to prevent the appearance of influence, none of the founders of this country would be able to do work for the country because they were involved in the founding process. It is time for people to acknowledge that everyone, pro or con, has an interest in the outcome, has the right to work on any project or program they are allowed to within the law, and that people of good faith and trust will act properly in conducting their business. I will not vote for any such restriction and I hope that the rest of the Task Force may be persuaded to reject such an attempt to restrict our post-service activities.

On a personal note, I will not vote for any measure that restricts people from working in any lawful way on any project. The Task Force process has been open and fair. Anyone who has come to the meetings and read the materials has the same information as the Task Force members. It is fundamentally unfair to ask only Task Force members to relinquish their right to be involved after their service to the City. We want well qualified people to sit on commissions, task forces, and to comment to the City without concern that they will forever be barred – *post hoc* - from being involved in the public or private process of bringing good – or bad-projects to the attention of the City.

I have worked for years for the community without payment and my actions would be the same if I had been paid. A person has principles or they do not. I trust the members of the Task Force and remind everyone that the City Council is the final decision maker in this process.

Fat – The Task Force is a negotiating team and members have obtained a lot of knowledge. Not opposed to the City finding best talent they see fit. The idea that there may be a perception of conflict of interest is always out there for the public. He is proud of the Task Force for being independent and looking out for the citizens of San Diego. If anyone is asked to help negotiate, it would be in best interest of the City.

Martinez – agrees. When have an opportunity like this we want the best and brightest. He thinks that in the public sector credibility and integrity are everything. If members are asked to continue, all have addressed their task with rigor and he appreciates the concept that Henderson and Clay advanced with the idea of the Ethics Commission.

Smith – substitute motion to delete the paragraph, Largent seconds.

Clady – concurs and agrees with everyone that this is important and wants to have it deleted.

Clay – thought Ethics Commission was a way to address. She will not support his motion.

Heumann – withdraws her second to the original motion. She is willing to defer to the Ethics Commission as they are the appropriate body. She is irritated and agitated. Has respect for her fellow Task Force members and agrees that reputation is everything. We are not elected officials, we have no citizens to rally in our support, and no staff to handle belligerent phone calls. Reputation is what bought this group together and all we leave with. It is not the role of the Task Force to dictate what is appropriate for others to do. It is an attempt to judge Mr. Simon's behavior. She doubts anyone has firsthand knowledge of any wrongdoing. It is a witch-hunt by the press, with nobody testifying. She is angry enough to step down. This is a decision that dictates members' future, this is overstepping the role of the Task Force.

Henderson – de ja vu. The only thing we have is our moral persuasive powers. He made the same remarks in terms of the Denver trip. Said public wouldn't understand. There is going to be a strong public reaction. This is about public perception. As a Task Force, it is not his role to look at members and judge the member, and is not trying to do so. Doesn't see a witch-hunt and doesn't think anyone has done anything wrong. There was a newspaper article and it has become a public issue. What steps can we as a Task Force take to make sure we maintain the highest level of integrity? Make sure the report has highest possible moral persuasive power with City Council. Issue – ensure public dealing with task have been given in the most ethical way possible. One way to do is to say that in no way would we as Task Force members be involved in any activity for the next year or so. By doing so, we would not be condemning anyone, Mr. Simon or other.

Watson – disagrees with statements made except those of Mr. Henderson. Deleting without sending it to Ethics Commission will send the wrong message to the public. This goes to the heart of all laws that govern conflict of interest. It would be a bad appearance and he feels strongly about this. Thinks Ms. Clay's motion should be voted on.

Roscoe – it is unfortunate that at this place in our country where issues like this come up – suspicion on people that have given up a lot of time from their livelihood to volunteer. Agrees that decisions will be tainted regardless of what we do. Agrees with Ms. Heumann. That this issue went to the press and got into dirt like it did, isn't why she joined the Task Force. Personally feels that the Task Force should support Clay's motion and forward to Ethics Commission for them to decide we can get the job done and public, Council and Mayor will look at Task Force work without any consideration of any ulterior motive.

Substitute motion to delete the paragraph altogether fails 3 yes, 10 no (with Mr. Simon abstaining)

Original motion – delete item 14 and refer the issue to the Ethics Commission. Motion passed, 10 yes, 3 no

*Back to the beginning of the recommendation...*

Clay - Motion to approve introductory language saying “San Diego City Council accept report and direct City Manager to immediately begin discussions with Chargers taking into consideration the following principles”

Henderson – is this motion if the Chargers can't trigger?

Clay – original wording characterized in a way she didn't agree. We were not asked to find economic need. She would want to incorporate that if needed to, so instead just simplifying. She would suggest removing a, b and c scenarios.

Smith – recommends the wording begin with TF recommends as in - “the Task Force recommends the City Council direct the City Manager and City Attorney to immediately begin discussions with Charger taking into consideration the following principles.”

Henderson – is this recommendation only if they can trigger?

Watson – principles are so clear, doesn't matter if Chargers can trigger. The principles are fairly restrictive, could live with them regardless of whether can trigger.

Simon – both might be right, language is broad enough that the City could ask Chargers to prove they can trigger. Clay's language is not restrictive. It permits the City to demand what they want, and he would want to know if Chargers could trigger. Chargers could build their own stadium, but that isn't the deal we are advising.

Henderson – if Chargers can trigger and they send notice, in that event the City has specific contractual obligation to negotiate in good faith to find a way to offset the trigger event – a contractual duty to negotiate. Are we suggesting to the Council that aside from whether the Chargers can trigger, they immediately start negotiations with the Chargers regardless of whether can trigger? He thinks the public won't understand.

Watson – doesn't bother him since the City won't be spending money. If the Chargers trigger, it will be a whole different situation...

Heumann – we have the whole contracts report as part of the recommendation and it indicates that the City could look at the trigger too.

Henderson – public is wondering if the Chargers have demonstrated a need for a new stadium and whether it is appropriate for the City to negotiate a new stadium. We are suggesting that there is a need and the Chargers have proven it – we are legitimating the Chargers need for a new stadium.

Watson – doesn't matter if they can trigger, as the recommendations are so restricted.

Roscoe – We are recommending that the City enter into negotiations to develop the site, negotiate around the parameters.

Saathoff – to resolve, agrees with the paragraphs. Recommends keep them as submitted. Patnoe seconds.

Simon – would like to amend – avoids problems that Henderson suggesting. Could add a new principle and say the City negotiators may consider whether the Chargers can trigger – request the info and see if it can – not first in importance, but thinks should add.

Ms. Clay's recommendation is to go back to her original language.

Saathoff – doesn't agree with Henderson. With principles, if Chargers want a new stadium, they have to pay for it, and build a park. Doesn't see anything wrong with what the language says, it is what we are trying to do. When cull it down, don't talk about several pieces. Thinks original two paragraphs with the principles cover off on the points. Wants to see a vote on his original language.

Voting on Saathoffs substitute amendment –

Patnoe – other option is not a very clear introduction to the principles. The language doesn't say about what, for what, regarding what. Some sort of broad statement should be at the top, not vague.

Heumann – what type of thing imagine preceding principles?

Henderson – message to send is to hold the Chargers to the contract, not negotiate at all. If they want to build a stadium at their cost, they could come forward with a proposal, but doesn't think they will. Concern is that these folks have not made a credible showing that they need a new stadium so doesn't see anything to discuss. Heumann – Henderson's preference is to keep ticket guarantee and get later benefit over negotiating something to eliminate those things and move in the direction of a new stadium.

Roscoe – it almost too complex.

Patnoe – thinks we need an umbrella statement.

Smith – back to substitute motion “Task Force recommends that the City Council direct the City Manager and City Attorney immediately begin discussions with the Chargers in accordance with following principles:”

Substitute fails 4 yes, 10 no

Watson - Back to Nikki's first, with minor changes – “The Task Force recommends that the San Diego City Council accept the report and direct the City Manager and City Attorney to immediately begin discussions regarding modifications to the existing contract and the possible renovation or construction of a new stadium subject to these principles”. Changes okay with Ms. Clay, Simon seconds. Approved 13 yes, 1 no with Mr. Henderson opposed.

All agreed to delete language indicating the Task Force will reconvene in the future. *Mr. Fat made a motion to keep the language in and later withdrew it.*

Motion to make last paragraph say “Should discussions between the City and Chargers not be successful or at such time as the City Council and/or City Attorney deem appropriate, the City should pursue its rights and remedies under the existing contract.” Approve, 13 yes, 1 no with Mr. Henderson opposed.

Watson – we are under tremendous amounts of pressure to finish the report on a deadline. Members of the Council want a recommendation from the Task Force; don't want the question dodged. Need to focus on the different scenarios from Facilities & Redevelopment and take some votes. Could list preferred option and an acceptable option, or just vote up and down. He wants to be able to tell Council something specific.

Simon – concerned about asking people which one is their favorite. If assume any one, most folks could agree with some “ifs” to fill in the gaps, address issues. To ask which is the favorite choice is pointless, it all depends on pieces they don't have. Hate to see the Task Force have some really good principles, then to have a vote split on all five options.

Watson – been told the Council wants a recommendation so not doing the job unless we do that.

Roscoe – isn't the umbrella document the recommendation? They are the elected officials.

Watson – wanted to think about it, maybe after we see it all put together the recommendation we have will be enough. We won't decide tonight.

Saathoff – when look at the Chargers proposal, that isn't in the recommendation – it will not meet the principles so it really isn't an option.

Watson – a draft of the report needs to be sent to the entire Task Force by Tuesday. The executive summary won't be done until after that. Will put that together at the very end.

Martinez – findings and meeting minutes will be part of the report.

Watson – we have voted on all the main controversial issues.

Coffey – she is putting together the books she read for the bibliography.

One appendix should include everything on the web – the bibliography

Roscoe – appreciates staff and consultants.

Clay – some of the pieces from BSG should be provided in some manner.

Simon – there could be four or five copies of all BSG reports bound together and located strategically with the City Attorney, City Manager, City Clerk, etc.

## **ADJOURNMENT**

Meeting adjourned.

Submitted by,

Libby Coalson  
Staff Representative